MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2021/2022

BMM2054 – ERP MATERIAL MANAGEMENT

(All sections / Groups)

11 AUGUST 2022
9.00A.M.- 11.00 A.M. (2 Hours)

INSTRUCTIONS TO STUDENTS

1. This question paper consists of 3 pages (including cover page) with 2 questions only.

2. Read the case study given. Then attempt **ALL** questions. All the distribution of the marks for each question is given.

3. Please write all your answer in the Answer Booklet provided.

QUESTION 1

Based on the scenario given below, answer the following questions.

As the trade war between the U.S. and China worsens, and sanctions against Huawei get thrown into the mix, Apple and its supplier Pegatron are beginning to hedge their bets by relocating more of the company's supply chain to places outside of China. A local report by Digitimes suggests that Indonesia has been chosen over Vietnam thanks to a better worker supply. It seems like Pegatron is all prepared for assembling MacBooks and iPads in Batam, Indonesia, with production slated to start next month. The work will be subcontracted by Pegatron to PT Sat Nusapersada, a local manufacturer in Batam, and although the company's CEO stopped short of naming the clients it would be working for, there's a high chance Apple is in that list. Pegatron is investing $300 million in Indonesian factories to achieve this, and they seem quite confident. PT Sat Nusapersada's CEO claims that Indonesian productivity is superior to China's, with a comparatively small 2% turnover rate. Apple's contract manufacturers have indeed experienced volatility in their labor forces, though these have been attributed as much to wage and quality of life issues as major swings in product demand. Pegatron is not the only key Apple supplier looking to assemble products outside China: Foxconn has confirmed its own plans to begin mass-production of iPhones in India later this year.

a) Explain how the coronavirus pandemic has affected China.

(4 marks)

b) As the "CEO" of Pegatron, do you think he has taken a good decision to overcome the problem during the pandemic? Justify your answer.

(3 marks)

c) Explain material management organization structure for Pegathron with an example of each.

(8 marks)

d) When Pegathron wanted to do the purchasing, if the material does not exist in the system, what are the steps that should be taken. Elaborate your answer step by step.

(10 marks)

e) Explain how Pegathron notifies the vendor once the purchase order is created.

(5 marks)

(Total 30 marks)

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QUESTION 2

Production Planning is the process of aligning demand with manufacturing capacity to create production and procurement schedules for finished products and component materials.

SAP PP is an important module of SAP. It tracks and makes a record of the manufacturing process flows, for example, the planned and actual costs. Also, goods movements from the conversion of raw material to semi-finished goods.

It is fully integrated with the other SAP modules: SD, MM, QM, FICO & PM. Describe all the **FIVE (5)** components of PP Master Data.

(Total 20 marks)

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